

Assistance for Unemployed Workers and Struggling Families Act -  
Section 2002

AGREEMENT BETWEEN

THE STATE OF North Carolina

AND

THE SECRETARY OF LABOR, U.S. DEPARTMENT OF LABOR

The Secretary of Labor, U.S. Department of Labor, and the State of North Carolina, in order to carry out the provisions of Section 2002 of the Assistance for Unemployed Workers and Struggling Families Act; hereinafter referred to as the "Act," hereby agree as follows:

I. The Employment Security Commission of North Carolina State Workforce Agency, hereinafter referred to as the "Agency," will make payments of benefits in accordance with the Act (which is incorporated herein by reference), and will cooperate with the U.S. Department of Labor (Department of Labor), and with other state agencies in making such payments.

II. The Agency and other state officials concerned will perform all of the functions and duties undertaken under this Agreement in accordance with the terms of this Agreement and the regulations or operating instructions issued by the Department of Labor.

III. This Agreement will immediately terminate, and no further benefits will be payable under it, upon the Department of Labor's determination that the state's method governing the computation of regular compensation has been modified in a manner such that the average weekly benefit amount of regular compensation payable during the period of this Agreement (disregarding the supplement payable under the Agreement) will be less than the average weekly benefit amount of regular compensation which would otherwise have been payable during this period under the state law as in effect December 31, 2008.

IV. The Agency will maintain such records pertaining to the administration of the Act as the Department of Labor requires, and will make all such records available for inspection, examination, and audit by such federal officials or employees as the Department of Labor may designate or as may be required by law.

V. The Agency will furnish to the Department of Labor such information and reports and will make such studies as the Department of Labor determines are necessary or appropriate for carrying out the purposes of the Act.

VI. Payments to States.

A. The Agency will be paid from time to time, in advance, an amount equal to 100 percent of the estimated cost of the benefits to be paid by the Agency under this Agreement. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Department of Labor and the Agency.

B. The Agency also will be paid, from funds appropriated for such purpose, the amounts the Department of Labor determines to be necessary for the proper and efficient administration of this Agreement in the state.

VII. The Agency will use all money paid to the state for the payment of benefits solely for that purpose for which the money was paid to the state, and will return to the United States Treasury, upon request of the Department of Labor, any such money (a) if the Department of Labor finds that the money is not needed for such purpose or that the money has been used for a purpose other than that for which it was paid, or (b) on termination of this Agreement. The "Audit Requirements for Grants, Contracts, and other Agreements," 29 CFR Part 96, will apply to disagreements under this section.

VIII. The Agency will take such action as reasonably may be necessary to recover for the account of the United States all benefit amounts erroneously paid and restore any lost or misapplied funds paid to the state for benefits or the administration of this Agreement.

IX. To the extent that agencies of the state obtain bonds to protect funds of the state, the Agency will obtain bonds to protect funds made available to it for the payment of benefits and the costs of administration of this Agreement. The pro rata cost of such bonds shall be considered a necessary cost of the administration. If under state law the state acts as a self-insurer of state funds and does not obtain bonds to protect them, the Agency shall so inform the Department of Labor in writing and in such case the state will act as a self-insurer with respect to funds which are paid to the state under this Agreement.

X. The Agency will apply the methods of administration required by section 303(a)(1) of the Social Security Act (42 U.S.C. 503(a)(1)) to the functions undertaken pursuant to this Agreement.

XI. This Agreement may be terminated by either party on thirty days' written notice. If this Agreement is terminated, the Agency will process and pay benefits for all weeks of unemployment which end prior to the date of termination for which such payments are due.

XII. This Agreement shall be effective when both parties have signed it.

Douglas F. Small

Deputy Assistant Secretary  
for Employment and Training  
U.S. Department of Labor

Date: February 17, 2009

By Beverly Eaves Perdue  
(State Signatory) Beverly Eaves Perdue

\_\_\_\_\_  
(Title) Governor

DATED: February 19, 2009

For the State of North Carolina

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**CERTIFICATION OF AUTHORITY**

(To be used if an official other than the Governor signs the Agreement)

NAME \_\_\_\_\_

TITLE \_\_\_\_\_  
(Must be the Attorney General or other authorized legal Official)

I hereby certify that the above-named person has the authority under the Constitution and laws of this state to sign this Agreement on behalf of the state.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_